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USDOC FOR 532/OEA/M. NICKSON-DORSEY/JAY HATFIELD
USDOC FOR 3131/USFCS/OIO/ANESA/KREISSL
USDOC FOR 4530/MAC/ANESA/OSA
ICE HQ FOR STRATEGIC INVESTIGATIONS
STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: [ETTC](#) [ETRD](#) [BEXP](#) [IN](#)

SUBJECT: EXTRANCHECK: POST-SHIPMENT VERIFICATION: EMECON CONTROLS
PVT. LTD., NEW DELHI

REF: USDOC 00937

¶1. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.

¶2. Acting Export Control Officer (ECO) Perry Davis and BIS FSN Prem Narayan conducted a Post-shipment Verification (PSV) at Emecon Controls Pvt. Ltd. (Emecon), New Delhi, on March 8, 2007.

¶3. BIS requested a PSV at Emecon, a private sector company, located at: S-361, 1st Floor, Greater Kailash-I, New Delhi 110018, Tel: 91-11-2923-6500, Fax: 91-11-2924-6500, Website: www.emeconcontrols.com. The PSV was requested under EAR99/NLR. Emecon was listed as the Ultimate Consignee for ten (10) Veridri loop powered thermometers. The exporter was GE Infrastructure Sensing Inc. (GE), Bilerica, MA.

¶4. ECO along with FSN Narayan met with Vibbhu Bhalla (Bhalla), Director, Emecon. Bhalla was somewhat aware of certain BIS export regulations. However, this was the first end-use check (EUC) visit of USG or BIS official to Emecon.

¶5. Bhalla stated that Emecon is the authorized distributor for GE for three north India states, namely, Haryana, National Capital Region (NCR) of Delhi and Punjab to sell GE's process control and instrumentation product line. He stated that items on check are moisture transmitters not thermometers. Reftel listed them as thermometers. Of the ten moisture transmitters, eight have been sold to gas plant and air dryer manufacturers who are based in the NCR. Bhalla produced two unsold units for verification. Bhalla produced his sales book for ECO Davis and FSN Narayan to review. The sales book reflected the sale of these eight sensors to different manufacturers including the Emecon Invoice numbers and subject items part and serial numbers. The Emecon invoices were also produced for ECO to verify the sales information listed in Emecon sales book. ECO asked for copies of six Emecon invoices reflecting sales of eight moisture transmitters. Bhalla provided the copies of invoices.

¶6. ECO inquired Bhalla whether they supply their foreign principals' products to Indian nuclear facilities or defense establishments. Bhalla replied they do not supply their products to these organizations. He stated that with regard to complying with U.S. export control laws, their U.S. principals always instruct Emecon not to supply their products to embargoed countries and barred organizations. He also stated that they do not export their foreign principals' products.

¶7. He stated that the moisture transmitters are primarily used to continually monitor air dryer performance and compressed air

quality. He further added that it is basically moisture-measuring equipment for quality control in manufacturing processes. It can work as a stand-alone unit or can be attached or integrated with other equipment to gauge the required humidity level in the manufacturing processes. Power plants, chemical and fertilizer manufacturers and oil companies mainly use the moisture transmitters. ECO inquired who installs these transmitters at manufacturing facilities and whether Emecon has a service station. Bhalla answered that Emecon engineers install them and they service equipment at Emecon service station sold by them under warranty.

18. Established, in 1987, Emecon is a closely held small sized firm operating from a residential area. Emecon primarily acts as an indenting agent for foreign companies in the field of process control and instrumentation. The foreign companies that Emecon represents include GE, U.S.; Teledyne, U.S.; Magnetrol, U.S.; and Braun, Germany. Emecon customers include, power plants, gas plant, air dryer, fertilizers and chemical manufacturers. Emecon employs ten personnel including engineers. On behalf of their foreign principals' Emecon's sales for FY 2006 were approximately \$225,000.

19. Recommendation: Although ECO did not conduct on-site inspection for the eight units that were sold and only two transmitters were available for inspection, Emecon's business operations appear legitimate. Based on the discussion and documents produced for reviewing by the BIS Team, Post recommends Emecon Controls Pvt. Ltd. as a reliable recipient of controlled U.S.-origin commodities. All indications are that the listed commodities are being used in accordance with U.S. Export Administration Regulations.
(PDAVIS/PNARAYAN) Pyatt